DKT NO: X06-UWY-CV18046436-S : COMPLEX LITIGATION

ERICA LAFFERTY : JUDICIAL DISTRICT WATERBURY v. : AT WATERBURY, CONNECTICUT

ALEX EMRIC JONES : AUGUST 2, 2022

DKT NO: X06-UWY-CV186046437-S

WILLIAM SHERLACH

V.

ALEX EMRIC JONES

DKT NO: X06-UWY-CV186046438-S

WILLIAM SHERLACH

V.

ALEX EMRIC JONES

BEFORE THE HONORABLE BARBARA N. BELLIS, JUDGE

## APPEARANCES:

Representing the Plaintiff (s):
ATTORNEY CHRISTOPHER MATTEI
ATTORNEY MATT BLUMENTHAL

Representing the Defendant (s): ATTORNEY NORMAN PATTIS

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Waterbury, CT 06702

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THE COURT: We are on the record in the three related Lafftery versus Jones matters. Lead docket number Waterbury CV186046436. I'm going to ask counsel to please identify themselves for the record.

ATTY. MATTEI: Good morning, your Honor. Chris Mattei on behalf of the plaintiffs. With me is my colleague Matt Blumenthal.

THE COURT: Good morning.

ATTY. PATTIS: Norm Pattis on behalf of Mr. Jones, Free Speech Systems, Judge. Good morning.

THE COURT: Good morning.

ATTY. WILLIAMS: Good morning, your Honor. John Williams with a special appearance on behalf of Mr. Jones.

THE COURT: Good morning. So I think I may be able to avoid the first issue with respect to the objection for the media request. Mr. Ferraro, have you seen any members of the media here today?

THE CLERK: There's one but nobody who had requested to record.

THE COURT: Okay. So in light of the fact that no one is here, I can avoid that issue.

THE CLERK: Your Honor, I apologize. I do think the Connecticut Public Radio person is on his way. He called me and asked about the address but I don't see him yet.

THE COURT: All right. I'm not going to delay the

proceedings for that, so he will not be able to film today. Okay.

So this may be less than five minutes or we may be here all day depending on how this works. So my first question and this is really a yes or a no or an I don't know. That's what I want. I don't want long explanations. I'm not looking for argument, just a yes or a no or I don't know. I'll start with Attorney Mattei and then I will ask Attorney Pattis.

So my question is, whether the bankruptcy court granted a motion to extend the bankruptcy stay to Alex Jones who has not filed for bankruptcy? So Attorney Mattei, yes, no or I don't know?

ATTY. MATTEI: No, your Honor.

THE COURT: Okay. Attorney Pattis, do you agree or disagree with that, sir?

ATTY. PATTIS: Neither. I don't know is my answer.

THE COURT: Okay. I'm happy to pass the matter since your client would know, I assume, since you're representing your client. Would you like me to pass it for a few minutes and we can make a call?

ATTY. PATTIS: He's testifying today. I tried to reach him yesterday, a per your order and was unsuccessful. I don't know if I can reach his trial counsel but I'll try.

THE COURT: I know that you had mentioned, I think

4 you had reached out to Mr. Stuckel actually since 1 2 Mr. Ferraro was getting back from his Italy trip, with 3 respect to having bankruptcy counsel use the link to watch it on Microsoft Teams so, I assume, they're 4 available. 5 6 ATTY. PATTIS: I assume so too. 7 THE COURT: So maybe they would be the ones that you could try to reach. And I just simply want to know 8 whether the bankruptcy court granted a motion to extend 9 10 the bankruptcy stay to Alex Jones who, to my knowledge, 11 has not filed bankruptcy. 12 ATTY. PATTIS: I will find out, Judge. 13 THE COURT: Okay. So we'll take a five-minute 14 recess. Thank you. 15 (Whereupon, there was a recess.) 16 THE COURT: You could be seated. That was quick, 17 Attorney Pattis. 18 ATTY. PATTIS: It still took two phone calls. 19 THE COURT: And the answer? 20 ATTY. PATTIS: No such motion was filed, 21 therefore, no such motion is granted. 22 THE COURT: Thank you. So the automatic stay that is in effect as to Free 23 24 Speech System, LLC who filed for bankruptcy, I believe, on Friday, does not automatically extend to solvent 25 26 codefendants even where they are similarly legal or 27 factually, so and I don't see that any motion for stay

has been filed here.

I'm going to next turn to the, I have to say untimely cross claim. I will give Attorney Williams an opportunity to be heard but I do want to start out by saying that it is, everyone has their responsibilities and obligations in this case. And one of my responsibilities is to maintain the orderly procedure of the court docket and cases and to prevent any interference with the fair administration of justice.

And my concern here, Mr. Williams, and I'll give you as much time as you need to respond, is that the cross claim is untimely, improper, and that it delays the trial. And so I am considering using my statutory authority and inherent authority in sua sponte dismissing or striking the claim at this time. So I'm happy to have you be heard.

I do want to mention one thing before I forget is that your appearance, you're going to need to correct your appearance because your appearance, you didn't use the right form. There's a specific form that has to be used for limited appearance and that form has different language on it then the standard appearance form that we're all used to. So, for example, in the limited appearance form you only agree to accept service on your particular issue. So I do want to tell you that right now you are in for Mr. Jones full force and that you'll need to correct that probably by way of a motion

or whatever you think is appropriate.

But in any event, let me hear you with respect to your cross claim.

ATTY. WILLIAMS: Your Honor, your Honor has raised as I understand it and I apologize my hearing leaves a lot to be desired but as I understand it, your Honor has raised the question of untimeliness and specifically as I look at the docket, there's no notice of closed pleadings. The case is proceeding as I understand it as a hearing in damages. It seems to me that the cross claim is completely collateral to that. There should not in any way have an impact on this trial and in deed is the sort of thing that might well be deferred until the end of the trial.

So if I have done something, your Honor used the word improper, if I did something that was improper, I can only tell your Honor it was certainly not my intention and I apologize to the court for any offense that I have given to you or inconvenience to anybody else. It was in no way my intention.

THE COURT: No offense taken but we just need to follow the rules, that's all. So I raise the issue of the untimeliness being improper and form and the delay that it would work on the trial. Is there anything else that you wanted to add?

ATTY. WILLIAMS: Well, your Honor, I didn't believe that it was untimely. But obviously the Free

Speech Systems I would have expected would oppose that if they felt that it was untimely. Your Honor, as again said it's improper, I don't understand in what way it would be improper except that I didn't request your permission, which I didn't understand was required and I didn't believe it would have any impact on the case.

I have read the motion to strike. Counsel there indicates that --

THE COURT: You're ahead of me Mr. Williams because I haven't read it but --

ATTY. WILLIAMS: I didn't hear you, your Honor.

THE COURT: I said you're ahead of me because I didn't read the motion to strike because it would now require us to engage in pleading practice, request to -- motion to strike, answer, special defenses, motions for summary judgment and obviously we're down for jury selection today.

ATTY. WILLIAMS: Well, your Honor, all I can say is that I did not intend any -- to do anything improper. I thought I was proceeding appropriately.

If I wasn't, I can only say that I am humbly apologetic to the court.

THE COURT: So I don't -- when I say untimely, and please be seated if you like or remain standing wherever you're most comfortable. But when I say untimely, it was filed well beyond the close of

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pleadings deadline and the operative scheduling order.

I can't even find the last scheduling order, it's so old. And the deadline for the close of pleadings has long passed. It was not listed in the joint trial management report which was ordered to be filed. It wasn't filed when the Jones defendants filed their denials with their notice of defenses and their special defenses and it's obviously filed on the eve of trial.

And when I say improper, I don't mean that you, sir, did anything, you know, improperly to offend the court by any means, so please don't think that. But what you would need to do with such a pleading is file either a request to file the pleading, you know, beyond the deadlines, file a motion with it, file a motion to amend pleadings, something because otherwise, nothing would prevent you from in the middle of evidence, you or anyone else just dropping a pleading in the file and expecting the parties and the court to adjudicate it. So, we can't just have generally what we say with an answer is an answer in cross claim or an answer in counterclaim, certainly there was no answer here given the default but there was the denial and the notice as the defenses and the special defenses and I would have expected it bare minimum to have it filed then.

And, you know, with respect to the delay, it would delay the trial as it was filed five days before jury selection. So I have to say that Mr. Jones is not in

compliance with his obligations to plead in accordance with our rules of practice and the scheduling order.

So pursuant to Connecticut General Statute 52-97 and Connecticut Practice Book Section 10-21, the cause of action set forth in the untimely cross claim cannot conveniently be heard with the main complaint. And the issues raised on the cross claim, even had the cross claim been timely and properly filed, do not arise out of the transaction which is the subject of the plaintiff's complaint, which is required by Practice Book 10-10.

For example, one of the basis for relief is an injunction requiring someone from Free Speech Systems to attend the trial. So in short, it would be impossible to hear and adjudicate the cross claim given that jury selection starts today as it cannot conveniently be heard with the main complaint.

So for these reasons, the court directs that the cross claim be deleted or dismissed from this case and, of course, nothing prevents Mr. Jones from filing a separate action and if that does occur in the normal course of business, the parties will be at notice that the court will exercise jurisdiction over that matter and bring it to this docket. That is the most efficient way to proceed. But it will not be part of this present case.

ATTY. WILLIAMS: Thank you, your Honor.

THE COURT: You're welcome.

So I have a couple of housekeeping matters. I was happy to see that you could agree on the number of alternates which I understand was four and that you had a total of five challenges, but I wasn't sure how you were breaking it down. Are you doing four and one or three and two?

ATTY. MATTEI: We agree that they be unrestricted, your Honor.

THE COURT: I will not, that I will not agree too.

I stick with the statute. I like that statute.

ATTY. MATTEI: My proposal then, Judge and I -THE COURT: Why don't you discuss it off the
record and then let me know if you have an agreement on
it. Okay. Thank you.

Mr. Pattis, there was one and I didn't pull it up, but there was going to be one late motion in limine. You had an attorney in your office who was not available to file it due to some health issues. And I'm not sure if that was a motion in limine on behalf of Mr. Jones and Free Speech Systems or just Free Speech Systems because if it is on behalf of Mr. Jones, it's well past filing, so what would you suggest?

ATTY. PATTIS: It was both, but we're not going to file it now.

THE COURT: Okay.

ATTY. PATTIS: He did not get out of the hospital

yet.

THE COURT: Sorry to hear that.

ATTY. PATTIS: Yeah, as are we.

Given the law of the case and the way things seem to be evolving given the motion practice we can address that interest in the other motions that are to be argued later.

THE COURT: Very good.

ATTY. PATTIS: So there will not be another --

THE COURT: And then I looked last night and I thought yesterday was the deadlines for the replies to the objections to the motions in limine, I saw the plaintiffs' replies, are you not filing replies or are you planning on filing them today because they were due yesterday?

And again, I don't know if they're just are directed to Free Speech Systems and of course we're not adjudicating that now.

ATTY. PATTIS: I have been advised by bankruptcy counsel that the stay binds my hands as to Free Speech Systems, and that I cannot act on his behalf it would act as his peril. They would pertain to both, so I took the position that the stay was applicable as to that. I understand -- I'm here as to your order and I don't mean to be defiant, but I've been told I act at my peril if I act as to Free Speech Systems.

THE COURT: So you don't want to act on behalf of

Mr. Jones in filing replies since you do represent
Mr. Jones and Mr. Jones is a nondebtor and there's no
stay at this point? Listen, I'm not saying that at any
point the bankruptcy counsel can't file a motion in
bankruptcy court and have the stay extended to
Mr. Jones but right now, you're telling me that's why I
asked, that's why I started --

ATTY. PATTIS: No, I understand.

THE COURT: -- but there is no stay that extends to Mr. Jones.

ATTY. PATTIS: But there is as to a party that I represent so I feel like I have a conflict at this point, because I'm told I can't act with respect to one and should act with respect to others and now I'm in a position where I've got to parse what to do with respect to each and that strikes me as that sort of 1.73 issue that I would need a little bit more time, not an infinite amount of time to address.

And, you know, the issue you raised about whether they should file the stay to extend to Mr. Jones that hadn't occurred to me, I'm not a bankruptcy -- I had altercate hands.

THE COURT: Well, I think the law is clear that when one defendant in a case files for bankruptcy it doesn't automatically extend to all other defendants even if they are similarly factually or legally and you would have to move in bankruptcy court to extend the

stay.

Now last time we had this issue when Info Wars and Prison Planet maybe, when they filed for bankruptcy, we had the exact same situation and I believe I entered a very similar order in response to that and then I think what happened and you correct me if I'm wrong, I think that you removed the remaining case to bankruptcy court. So that it wasn't so much --

ATTY. PATTIS: I understand that.

THE COURT: So here I didn't see and I checked before I came out on the record, I didn't see any removal to bankruptcy court of the pending claims and I didn't see anything about a stay.

ATTY. PATTIS: I was instructed not to file removal papers by bankruptcy counsel for reasons of their own that I didn't inquire as to. And so I am left in this awkward position now where if we proceed as to Jones but not as to Free Speech that operates almost constructively as a severance and I believe the law is clear that a severance that adversely affects a debtor is prohibited once the debtor is in bankruptcy.

So it's my request that and it's my understanding that, I don't know if it's Houston, I don't recall what city in Texas, in the Texas bankruptcy court there's a hearing Friday morning with respect to the plaintiff's emergency motion for relief from stay.

THE COURT: But that emergency motion is a relief

from stay as to the debtor, Free Speech Systems -- ATTY. PATTIS: Right.

THE COURT: -- we are all on the same page here. Everyone is on the same page. They're under federal bankruptcy law which, I believe me, respect. There is an automatic stay as to the debtor, Free Speech Systems, LLC. If you told me this is why I started asking this question, if you said to me, yes -- because I tried to look last night and I could not access the through Pacer the records or I would have cancelled this if I saw that it was extended. As I'm understanding it, clearly there's no doubt that there was no extension of that stay to the solvent remaining defendant Mr. Jones, nor has such a motion been filed, so there is an active claim right now against Alex Jones. There's causes of action and we're down for jury selection.

So, I can't, you know, I can't solve for you what instructions you're getting from your client or bankruptcy counsel but I have a remaining claim, but I understand from what you're telling me it's your position, well you can tell me your position why don't you.

ATTY. PATTIS: I'm asking for a recess until a motion is heard on Friday. I find myself in a position where I cannot satisfy my obligations to both clients.

Mr. Jones expects a defense as does Free Speech.

I am told Free Speech the action will not proceed as to they may or may not have identical interest in every instance but I don't see how I can proceed as to one client and not the other.

THE COURT: So and then let's just hypothetically say that we either didn't pick until Friday and Friday the motion is heard and the motion it's a motion to --

ATTY. PATTIS: For relief from stay.

THE COURT: Okay, let's say that --

ATTY. PATTIS: That's my understanding of it. I haven't filed it.

THE COURT: So let's say that's denied and so the stay is in effect as to Free Speech System.

ATTY. PATTIS: At this point, Judge, I would be in touch with bankruptcy counsel saying you left me hanging here without a motion for an application as to Jones or a removal, the trial court takes the position that its capable -- that as a matter of law it would be appropriate to proceed with Mr. Jones and I might have to seek independent ethic's counsel advice because I'm starting to feel a 1.73 (inaudible) because I'm now in a position where I can meet the needs of one client but not the other in a proceeding and I've not been in this position before.

THE COURT: Attorney Mattei.

ATTY. MATTEI: Your Honor, what I see Attorney

Pattis be doing is asking for making an oral motion for

continuance for jury selection. We oppose that motion for continuance. Mr. Jones is more than adequate represented in bankruptcy court in Houston. They are well aware of this jury selection. They actually filed a motion to lift the stay as to the ongoing trial in Texas. And so they're well aware of the implications that --

THE COURT: So that -- excuse me. The motion to lift the stay was as to the debtor?

ATTY. MATTEI: As to the debtor Free Speech Systems. And so they're more than aware of occasions of not moving the stay with respect to Mr. Jones, they've not done that knowing that jury selection is scheduled for today.

The bankruptcy, which was filed on Friday,
Mr. Pattis has had the weekend and now Monday to
investigate the extent to which any conflict prevents
him from proceeding today on behalf of Mr. Jones. But
the facts of the case establishes that there is no
conflict and there can be no conflict because Mr. Jones
and Free Speech Systems are all egos to one another.
They have been represented by the same counsel
throughout. There's no suggestion or evidence that any
position taken by Mr. Jones here would be adverse to a
company that he 100 percent controls, Free Speech
Systems.

And so there's just no basis to grant a

continuance here where Mr. Jones is the one that has manufactured this situation on the eve of jury selection to prevent us from going forward. So we want to proceed today with jury selection.

THE COURT: So here's what I would say, we are going to proceed but if and when a motion is granted in the bankruptcy court, that extends the stay to

Mr. Jones, the court needs to be notified immediately and we will cease activity because that would then stay the claim against Mr. Jones as well. But short of that, listen I suppose Mr. Jones could file for bankruptcy and that would stay the rest of the case under federal law or the bankruptcy court can extend the stay to Mr. Jones.

So if either one of those happens, I'm sure you'll let me know immediately and we will stop our proceedings.

All right. So we're going to start jury selection at 10:00. Just as a reminder please no snapshots or screen shots or whatever you want to call it of the jury confidential jury questionnaires. Anyone who -- so if your clients are here at any point either during jury selection or trial the trial will be in the courtroom next door.

But during jury selection and during trial anyone who's seated at counsel table or in the well of the courtroom would have to wait for a recess to leave or

you can leave in between jurors if you understand what I'm saying. I don't want people in the well of the courtroom getting up and leaving in the middle of the voir dire, if they're in the well of the courtroom.

Now people in the gallery they can come and go as they please but for trial as well, if we're not in a recess any of your clients or other lawyers that are in the well of the courtroom would have to wait for recess. I don't want people coming and going. But if there's any believe me any need for a quick break because someone needs to leave or you have an emergency or whatever, I'm happy to take another recess, so you just let me know and ask for a recess and I'm sure we'll take a recess. I just don't want any commotion.

During the -- I am going to remain on the bench at least for the immediate future. I don't have any other conflicts right now. I don't know if that's going to remain the whole time but the juror, potential juror will sit next to me up here. I don't know if you want, I guess, Mr. Ferraro, maybe we can move the lectern up for the lawyers.

THE CLERK: Wherever counsel wants to.

THE COURT: Why don't you discuss where you want it but I'm telling you now I want you to give the jurors space. I don't want you leaving that lectern area and clouding the jurors and I'm going to say the same thing for witnesses as well. So I don't want

anybody invading their space.

So here's what I would say on the replies to the motions in limine by Mr. Jones. If Mr. Jones wishes, he's not ordered to, he doesn't have to but if he wishes to file replies to the motions in limine, and that was due yesterday, Mr. Jones will have until the end of business tomorrow to file his replies if he wants to.

I'm prepared to go on the introduction to the panel. I have, thank you, I have all the information that you gave us with respect to the parties and the witnesses and so forth. So I think for the introduction to the panel, you're going to be very brief. You're just going to simply say who you are and what other lawyers are with you and if you want to mention if you have clients here or not, that's fine. But I don't want to hear anything beyond that, no description of the case. It's going to be very very brief otherwise I am going to cut you off. That's not the opportunity to start any further details.

All right. So we will be back right at 10:00 p.m. for jury selection.

ATTY. MATTEI: Your Honor, I'm sorry. One housekeeping matter. I sent to Mr. Stuckel this morning a proposed revised description of the case for the court to consider giving to the jury in light of the fact we now only have one defendant for whom we are

picking. The initial jointly agreed upon statement referred to both defendants and I sent the revision to Mr. Stuckel. Attorney Pattis I spoke to him beforehand, he indicated that he objects so I just want to flag the court given that right now we are only picking with respect to Mr. Jones.

THE COURT: Well, I planned on deleting Free

Speech Systems in the language as a defendant. I

understand that you're objecting basically, Attorney

Pattis, even going forward into the proceeding and such
but do you have any suggestions on the proposed

language or not?

ATTY. PATTIS: Yes. I don't believe the court can refer to Free Speech Systems. I don't think the court can refer to Mr. Jones as acting through Free Speech Systems without adversely affecting Free Speech Systems in violation of the stay, so that's the basis of my disagreement.

If the court's going to proceed as to Mr. Jones I think it should delete reference to Free Speech Systems from the proposed joint statement.

ATTY. MATTEI: I just in response regardless of
Free Speech Systems status that fact is established as
a result of fault not, so there's not any question that
that is true to be evidence in the case regardless of
whether Free Speech --

ATTY. PATTIS: That will be a litigated issue

whether he'll be evidence, we think any evidence to that effect would be in violation of the stay because it acts to the detriment of Free Speech Systems while it's --

THE COURT: I think we can be very clear in our preliminary instructions and our jury instructions that this case is proceeding only as to Mr. Jones individually so I'm not concerned that they're going to be confused. So if you can't come up with your own language I'm more than capable of coming up with my own language. Okay.

ATTY. WILLIAMS: Your Honor, may I be excused?

THE COURT: Well, Mr. Williams, sure but you're going to have to file --

ATTY. WILLIAMS: A motion to withdraw.

THE COURT: Unless you can somehow assure me as an officer of the court that Mr. Jones retained you solely for the purposes of the cross claim and not for any other reason. Because I explained to you the issue.

ATTY. WILLIAMS: I understand.

THE COURT: And I don't want to be hasty and make mistakes and informally let you out of the case if in fact that's not true.

ATTY. WILLIAMS: Your Honor, I assure you as an officer of the court that that was the sole purpose that he retained me and I have no other interest in this case whatsoever.

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                 THE COURT: All right. Do you agree with that,
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            Attorney Pattis?
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                 ATTY. PATTIS: I reviewed the papers and I agree.
                 THE COURT: I'm sorry.
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                 ATTY. PATTIS: I've reviewed the engagement
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            letter, I agree that there's no ambiguity with respect
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            to that.
                 THE COURT: So your client, Mr. Jones, is not
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            going to object if I informally let Mr. Williams out.
                 ATTY. PATTIS: On behalf of Mr. Jones, I'll make
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            that representation.
                 THE COURT: And Attorney Mattei, you don't want to
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            be heard on this, correct?
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                 ATTY. MATTEI: No, your Honor.
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                 THE COURT: All right. So ordered.
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                 ATTY. WILLIAMS: Thank you, your Honor.
                 THE COURT: We'll take a recess.
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                 (Whereupon, there was a recess.)
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    ERICA LAFFERTY
                                       JUDICIAL DISTRICT WATERBURY
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                                       AT WATERBURY, CONNECTICUT
    ALEX EMRIC JONES
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             I hereby certify the electronic version is a true and
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     correct transcription of the audio recording of the
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     above-referenced case, heard in Superior Court, G.A. 4 of
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    Waterbury, Connecticut before the Honorable Barbara N. Bellis,
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     Judge, on August 2, 2022.
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           Dated this 2nd day of August, 2022 in Waterbury,
20
    Connecticut.
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                                     Debbie A. Ellis
                                 Court Recording Monitor
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